CLAIM AMENDMENTS

1. (Currently amended) A method of placing an ad into a digital video output stream of a digital video recorder (DVR), the method comprising:

while the digital video output stream of ~~a digital video recorder~~ the (DVR) includes video of a user interface ~~first mode~~ but does not include the ad or video of a program recorded at the DVR ~~second mode~~, the DVR detecting that the digital video output stream should change from the video of the user interface ~~first mode~~ to the video of the program recorded at the DVR ~~second mode, wherein the video of the first mode includes video of a user interface, and wherein the video of the second mode includes video of a program recorded at the digital video recorder~~;

the DVR obtaining the ad;

the DVR placing the ad into the digital video output stream so that the digital video output stream includes the video of the user interface ~~first mode~~ and the ad but does not include the video of the program recorded at the DVR, wherein the DVR that places the ad into the digital video output stream outputs the digital video output stream to a display device that is connected directly to the DVR; and ~~second mode; and~~

thereafter, the DVR removing the video of the user interface ~~first mode~~ from the digital video output stream and adding the video of the program recorded at the DVR ~~second mode~~ to the digital video output stream so that the digital video output stream includes the video of the program recorded at the DVR ~~second mode~~ and the ad but does not include the video of the user interface. ~~first mode.~~

2-6. (Cancelled)

7. (Previously presented) The method of claim 1, wherein the ad is obtained in real-time.

8. (Currently amended) The method of claim 1, wherein the ad is obtained by an ad placement engine within the DVR.

9. (Currently amended) The method of claim 1,

wherein the ad is obtained by an ad placement engine within the DVR, and

wherein the ~~ad is obtained by an~~ ad placement engine uses ~~using~~ previously collected user information to obtain the ad.

10. (Currently amended) The method of claim 1,

wherein the ad is obtained by an ad placement engine within the DVR, and

wherein the ~~ad is obtained by an~~ ad placement engine uses ~~using~~ context information and previously collected user information to obtain the ad.

11. (Cancelled)

12. (Previously presented) The method of claim 1, wherein the ad is an animation.

13. (Previously presented) The method of claim 1, wherein the ad is dynamically placed.

14-19. (Cancelled)

20. (Currently amended) A computer software product having instructions executable by a computer processor within a digital video recorder (DVR) to perform a method for placing an ad into a digital video output stream of ~~a digital video recorder~~ the DVR, the computer software product comprising:

first instructions configured to cause the DVR to detect that the video output stream should change from video of a user interface ~~first mode~~ to video of a program recorded at the DVR, ~~second mode,~~ wherein the first instructions are executable while the digital video output stream of the DVR ~~digital video recorder~~ includes the video of the user interface ~~a first mode~~ but does not include the ad or the video of the program recorded at the DVR; ~~a second mode, wherein the video of the first mode includes video of a user interface, and wherein the video of the second mode includes video of a program recorded at the digital video recorder;~~

second instructions configured to cause the DVR to obtain the ad; and

third instructions configured to cause the DVR to place the ad into the digital video output stream so that the digital video output stream includes the video of the user interface ~~first mode~~ and the ad but does not include the video of the program recorded at the DVR, wherein the DVR that places the ad into digital video output stream outputs the digital video output stream to a display device that is connected directly to the DVR

~~second mode~~ and, thereafter, cause the DVR to remove the video of the user interface ~~first mode~~ from the digital video output stream and to add the video of the program recorded at the DVR ~~second mode~~ to the digital video output stream so that the digital video output stream includes the video of the program recorded at the DVR ~~second mode~~ and the ad but does not include the video of the user interface. ~~first mode.~~

21. (Currently amended) The method of claim 1,

wherein detecting that the digital video output stream should change from the video of the user interface ~~the first mode~~ to the video of the program recorded at the DVR ~~second mode~~ is carried out by software of the DVR. ~~digital video recorder.~~

22. (Cancelled)

23. (Previously presented) The method of claim 1,

wherein the ad is a still ad comprising an individual frame,

the method further comprising:

replicating the individual frame a number of times to fill up a designated time segment that the ad is displayed.

24. (Previously presented) The method of claim 1, wherein the ad comprises a mini-ad that occupies less than an entire screen that is displaying the ad and the video of the first mode.

25. (Cancelled)

26. (Previously presented) The method of claim 1, wherein the ad is partially transparent.

27. (Currently amended) The method of claim 1, further comprising:

after removing the video of the user interface ~~first mode~~ from the digital video output stream and adding the video of the program recorded at the DVR ~~second mode~~ to the digital video output stream, removing the ad from the digital output stream so that the digital video output stream includes the video of the program recorded at the DVR ~~second mode~~ but does not include the ad and video of the user interface. ~~first mode.~~

28. (Currently amended) The method of claim 1, wherein detecting that the digital video output stream should change from the video of the user interface ~~first mode~~ to the video of the program recorded at the DVR ~~second mode~~ includes detecting that the program recorded at the DVR ~~digital video recorder~~ has been selected for playback.

29. (Currently amended) The method of claim 1, further comprising:

displaying the digital video output stream via the [[a]]display device that connects directly to the DVR, ~~digital video recorder~~

wherein the display device connects to the DVR via a wired connection.

30. (Currently amended) The method of claim 1, further comprising:

displaying the digital video output stream via the [[a]]display device that connects directly to the DVR, ~~digital video recorder~~

wherein the display device connects to the DVR via a wireless connection.

31. (Currently amended) The method of claim 1, further comprising:

prior to obtaining the ad, downloading the ad from a server and storing the ad at a memory device of the DVR, ~~digital video recorder,~~

wherein the video of the program recorded at the DVR ~~second mode~~ is stored at the memory device.

32. (Previously presented) The method of claim 10, wherein the context information comprises information selected from the group consisting of (i) time information, and (ii) a movie title.

33. (Currently amended) The computer software product of claim 20, wherein the first instructions detect that the video output stream should change from video of a user interface ~~first mode~~ to video of a program recorded at the DVR ~~second mode~~ by detecting that the program recorded at the DVR ~~digital video recorder~~ has been selected for playback.

34. (Currently amended) The computer software product of claim 20, wherein the computer software product is located within the DVR, ~~digital video recorder~~